

CHAPTER 1 - INTRODUCTION

A. GENERAL

1. This section prescribes the procedures for the operational management of the DoD Precious Metals Recovery Program (PMRP). These procedures set forth additional considerations in the disposal process due to the requirements of the PMRP. Compliance with other regulatory guidance, when applicable, is required.

2. For the purpose of this instruction, the term generating activities includes DoD activities and approved participating Federal agencies.

B. AUTHORITY. DoD Directive 4140.1-R and DoD 4160.21-M provide guidance for the overall management responsibility for conduct of the DoD PMRP. The PMRP promotes the cost effective recovery of precious metals from precious metal bearing materials, when economically feasible, and the utilization of recovered precious metals as Government Furnished Material (GFM) or for authorized internal purposes. The program encompasses silver, gold, platinum, palladium, rhodium, iridium, osmium and ruthenium.

C. POLICY

1. Make maximum effort to recover precious metals from all precious metals bearing items and/or scrap material, provided the costs associated with recovery do not exceed the market value of the precious metals recovered.

2. Do a cost analysis for precious metal bearing items, which survive screening and are offered for sale. Use this cost analysis (see Supplement 4 for a sample DRMS Form 984) as the basis for determining whether to award the items. Downgrade items, which are not sold to scrap material and process for precious metals recovery.

3. Do not offer precious metals bearing scrap material for sale unless authorized by DRMS. See Chapter IV for disposition of precious metals bearing scrap material.

4. Receive precious metals bearing material/scrap material turned in to a DRMO under the appropriate precious metals SCL code and process for precious metals recovery. If, upon receipt or at any time during processing, it is determined that material is not precious metals bearing, it may be processed as normal excess or surplus property.

D. CORRELATION OF PRECIOUS METALS WITH OTHER MISSIONS

1. Demilitarization (DEMIL). DEMIL requirements take precedence over precious metals recovery. Sometimes, munitions list items can be demilitarized through a precious metals recovery contract. For specific procedures on how to accomplish DEMIL through a precious metals recovery contract, see DRMS-I 4160.14, Vol VII, Instructions for Demilitarization for DRMS and the DRMOs, Chapter 2, paragraph A7n.

2. Hazardous. The hazardous nature of property must be considered when effecting precious metals recovery. For some material, e.g., silver nitrate, consideration must be given to requirements for conforming storage, DoT regulations, and other applicable laws and regulations. Consider material/scrap which is both precious metals bearing and hazardous/toxic in nature for combined precious metals recovery and hazardous/toxic disposal. If a combined effort is determined by DRMS to be neither economical nor feasible, precious metals recovery will no longer be required as a consideration in disposal processing. Handle disposition of precious metals bearing hazardous material on a case-by-case basis.

3. Classified Material. Do not accept classified film and other classified material/scrap which is precious metals bearing unless the material meets service declassification criteria and the generating activity has annotated such on the DTID. However, do accept the residue resulting from burning or other destruction.

4. Drugs, Biologicals and Reagents (Including Controlled Substances). See DRMS-I 4160.14, Volume II, Chapter IV, paragraph B31, for guidance on receipt of precious metals bearing drugs, etc.

5. Mutilation. Items requiring mutilation prior to sale need not be mutilated if they are to be shipped for precious metals recovery. Satisfy mutilation requirements by the precious metals recovery process.

E. OBJECTIVES. The objectives of this instruction are to:

1. Define Precious Metals Recovery Program (PMRP) responsibilities of the Defense Reutilization and Marketing Office (DRMO), the DRMS-O, and the Defense Reutilization and Marketing Service (DRMS).

2. Provide guidance in receipt, processing and shipment of precious metals.

3. Describe the procedures to be followed in recovering silver from hypo solution.

4. Explain sales versus recovery analysis for precious metals bearing items.

5. Provide identification and sources of precious metals.